



# BUSINESS PLAN

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# OVERVIEW

*The CO-OP at 1<sup>st</sup>* is a legal entity formed under the Secretary of State of Colorado.

*The CO-OP at 1<sup>st</sup>* offers shared community spaces to empower the Barnum Community with economic opportunity and increase access to healthy food, holistic wellness, and physical activity.

The goal of the business plan is to raise \$1.1M in investments and membership by the end of 2021.

*The CO-OP at 1<sup>st</sup>* has been in operation as its own entity since February of 2021 and previously under the auspices of Jovial Concepts since 2009.

The influx of capital will be used to expand the market, additional marketing, upgrades to the products/services, and add additional personnel. The Co-op plans to increase staff by 40% in 2021.

THE CO-OP AT 1<sup>ST</sup> 5045 W. 1st Ave., Denver 80219  
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COMMUNITY FIRST — WORKING TOGETHER

Neighborhood store and year-round farmers market. Gardeners and artisans. A gathering place inside and out. A resource creating community connections, providing education, advancing empowerment and assisting others. A place where everyone is welcome.

<p><b>COOPERATIVE</b> Ownership, equity and voting Discounts at market Community connections</p>	<p><b>SERVICES</b> SNAP sign-up Food assistance Energy bill assistance</p>
<p><b>FARMERS MARKET</b> Produce, dairy, pasta &amp; more Artisan &amp; lifestyle products SNAP and Double Up accepted</p>	<p><b>HEALTH AND WELLNESS</b> COVID testing/vaccinations Massage/body work/acupuncture Nutrition and mental health</p>
<p><b>EVENTS</b> Outdoor markets Holiday celebrations Health and wellness</p>	<p><b>OFFICE SPACE AVAILABLE</b> High speed internet Phone/printer/fax Commercial kitchen</p>

EVERYONE IS WELCOME!

3/4/21

# ORGANIZATIONAL PLAN

## **Description of the Business**

*The CO-OP at 1<sup>st</sup>* was started in 2009 as Jovial Concepts. With the changes in the food industry brought about by COVID-19 in March of 2020, restructuring occurred. *The CO-OP at 1<sup>st</sup>* became a legal cooperative entity and began renting space from Jovial Concepts.

The company is physically located in the Barnum neighborhood in West Denver near the intersection of 1<sup>st</sup> and Sheridan. The building is owned by Jovial Concepts. *The CO-OP at 1<sup>st</sup>* rents the space from them. They have upgraded the building and continue to expand the land used for agriculture specifically food production.

Community support has been outstanding. Over 500 families connected with the Concern Citizens for Barnum community organization and signed a petition to open the market. They were excited and willing to support a place conveniently located in the neighborhood that is accessible by walking, biking, or bus. Options for fresh fruits and vegetables are limited in the area and the nearest major grocery store is only available by car or bus.

*The CO-OP at 1<sup>st</sup>* is in the start-up phase and is a membership organization that provides services and products and retail, rental, and office space.

Services and products provided are:

- Fresh Food Market
- Event Space
- Commissary Kitchen
- Office Space
- Fitness Classes
- Greenhouse & Gardens
- Coffee Shop
- Education

## Products and Services

### ***Natural Grocery Store and Consignment***

The market is intended to serve the local community by offering convenient access to grocery store essentials, hygiene, and household items and more. This is a neighborhood market with both fresh meats, produce and grab and go meals like wraps, pasta salads and ice cream. Most of the produce and meats are from local and organic suppliers.

### ***Event Space***

The event space is a large open room approximately 2118 square feet that is available for rent for community-oriented activities or special events. Tables and chairs are available on site. The space has a maximum capacity of 120 people.

### ***Commissary Kitchen***

A commissary kitchen is a rentable space available to caterers, food trucks or chefs on an as needed basis. The renter has access to equipment, storage space and time as required.

Commissary kitchens have been around for a long time but rose in popularity in the late 2000 with the surge of food trucks. The demand for such space was also influenced by the Covid Pandemic allowing entrepreneurs to start a small business without the expenses of a professional kitchen.

Such arrangement besides being fiscally beneficial provide flexibility, storage options, available of professional specialty equipment, increased workspace, avoid the responsibilities of ownership, location, and a reduction in maintenance.

The kitchen is also used as an affordable small business incubator for chefs from diverse backgrounds preparing unique types of cuisine at affordable prices.

**Note:** All renters carry their own personal liability insurance.

### ***Office Space***

The building, which is fully accessible for people with disabilities, has several small offices. These are available for rent at a competitive price, for individuals and business that are seeking space within a community of health oriented fellow tenants. Presently the space is 100% rented and has a waiting list.

Present tenants include:

Jovial Concepts  
A2H2  
Ceiba USA  
Food Bridge  
Basted Egg  
ALNA Kitchen & Catering  
Happy Little Clouds  
Buffalo & Sparow  
All Inclusive Health  
Orenda & Sage

### ***Fitness Classes***

Within the building is a dedicated movement studio. It is equipped with soft equipment for movement and exercise.

The company has signed a lease with a fitness specialist organization and classes are scheduled to start in August of 2021. (Classes have been suspended in 2020 and 2021 due to COVID)

### ***Greenhouses & Garden Beds***

The gardens are located on the property and the community takes care of planting and maintenance. Classes and instructions are taught to work groups, school programs as well as people with disabilities. A very successful part of the education are the classes in composting and the annual plant starter sale in the spring.



In addition to the garden beds on the property *The CO-OP at 1<sup>st</sup>*, through Jovial Concepts, provides homeowners assistance to transform useable green space into gardens. This can include all or some of the following services:

- Free Garden consultation
- Personalize appointment to:
  - ✓ Assess the area
  - ✓ Sun Conditions
  - ✓ Surrounding Environment
  - ✓ Soil Conditions
  - ✓ Size of area

- Assist in transforming the space
- Providing the soil amends needed along labor
- Training on starting plants from seed
- Transplanting education
- Maintenance of the space
- Harvesting help.

### ***Coffee Shop***

*The CO-OP at 1<sup>st</sup>* has set up a coffee shop with a knowledgeable barista to assist you with the beverage of your choice. The coffee shop is open during the market hours.

### ***Education***

*The CO-OP at 1<sup>st</sup>* has classes in nutrition, cooking, massage, gardening, fitness and movement, commissary kitchen usage, composting, herbal medicine and so much more. Digital courses are planned to launch in the fall of 2021.

### ***Special Projects***

Barnum community is a low-income area. Many of the children in the neighborhood depended on school and summer lunch programs. *The CO-OP at 1<sup>st</sup>* picked up this need for free food programs. The meeting space was converted into a boxing and pick-up hub for pickup of breakfast and lunches, that were prepared in the commissary kitchen, for children 18 and under.

Pick-up is every Tuesdays from 10am-6:30pm and will continue until September when children can return to school (or continue if needed).

- Contact pick-up is every Tuesday from 10:00AM to 6:30 PM and will continue until September when children can return to school (or continue as needed)
- The program includes:
  - 5 breakfasts per child — burrito, cereal or oatmeal with milk and fruit.
  - 5 lunches per child — pasta, casserole, sandwich or wrap with fruit and milk.

*The CO-OP at 1<sup>st</sup>* also holds monthly community events in partnership with City of Denver and the Barnum Neighborhood.

## The 7 Cooperative Principles

The *CO-OP at 1<sup>st</sup>* abides by the International Cooperative Alliance (ICA) principles set out for cooperatives. It is their intention to join the alliance when it reaches \$2 Million in sales annually which is the minimum membership requirement.



## Member Levels

Kick starter campaign starting in the summer of 2021, with a goal of 200 members and \$10,000 in revenue.

<i>Investment</i>	<i>Ownership</i>	<i>Income</i>	<i>Responsibilities</i>	<i>Advantages</i>
<b>Investor</b>	10%	1Million	Invest at least \$5K minimum investment, Uphold Values, Support	Lifetime Membership, Dividend, Advisory Board
<b>Distributor</b>	20%	\$12,000	Invest \$1200 annual and 20% of net sales, Vote, Support, Uphold Values	Voting Membership, Branding, Management, Dividend, Wholesale, Partnership
<b>Company</b>	50%	\$24,000	Promote & Participate in Events, Uphold Value \$600 annual contribution [Employee, Tenant, and Vendors]	Voting Membership, Merchandise, Classes, Discounts, Partnership, Dividend
<b>Consumer</b>	20%	\$12,000	Uphold Values, Participation, \$50-\$65 annual membership	Voting Membership Discounts, Classes, Dividend (must spend \$500 to qualify)



## **Government approvals**

*The CO-OP at 1<sup>st</sup>* has a federal Employer Identification Number. It is also registered with Colorado Secretary of State.

## **Inventory**

Inventory control is handled by the Chief Cooperative Officer. Minimum and maximum amounts spreadsheets are being developed and will be used for ordering and inventory control. Ordering is usually performed once a week with additional orders placed throughout the week as needed.

## **Future**

Future growth plans include:

- Expand the market footprint
- Increase growing space and community meeting space
- Add Restaurant Seating
- Install Solar Panels
- Add a “Green Roof” growing area
- Increase the number of locations
- Expand beyond the Denver Metro Area
- Support rural food access and farmers

## **Management and Personnel**

### **Chief Cooperative Officer**

Oversees all managers (sustainability, market, tenants, kitchen events)  
Creates opportunities for connection among tenants/ consumers and members  
Ensures compliance with all regulations  
Maintenance and upkeep of equipment.  
Manage online orders.  
Prepare and control grants.  
Oversees events.  
Participate in Denver City sustainable Business Network.  
Leasing, Rent Collection and Fundraising

### **Membership Director**

Track members  
Oversee member communications  
Responsible for renewal of Memberships

### **Human Resources -**

Manages employee documents and benefits,  
Hiring staff as company grows and develops,  
Handle complaints or conflicts,  
Issues and tracks security keys,  
Keeps business licenses up to date.

### **Marketing Manager**

In charge of outreach and member communications  
Handles all written communication with media and members  
Prepares and distributes Press Releases  
In charge of all social media  
Updates Website  
Graphic In charge of all social media  
Graphic Design Decision Maker

### **Market Manager**

Prepares and maintains market budget,  
Maintains appropriate licenses with state and health department,  
Vendor Relations: Contracts, Pricing, Deliveries, Quality and Payments  
Market Staff Training  
Tracks and schedules equipment cleaning and maintenance,  
Inventory Control and stocking  
Sets pricing, sales and specials  
Active member of Management Team.

### **Kitchen Manager**

Manages Kitchen rentals and use calendar,  
Ensures Compliance with health department rules and regulations,  
Supplies barista and deli with grab and go foods,  
Supplies meals for USDA summer food program  
Tracks and schedules kitchen equipment cleaning and maintenance

### **Board of Directors**

Courthney Russell, MD – President  
Emily Green – VP and Secretary  
Jessica Andersen – Treasurer  
Eric Johnson  
Daniel Byrd

### **Outside advisors & contractual agreements**

Accountant  
Attorney – Brian Ray – Hatch, Olsen & Ray  
Banker – Laura Weninger at US Bank  
Bookkeeper – Yvonne Welch  
Consultant - Lou Rivero of Lou Rivero Corp  
Insurance Agent  
Marketing & Web Designer – Overhaulics – Robin Starbucks  
Board of Advisors  
Jeff Lawhead  
Paul Bindel

## **Employees**

Presently there are 7 employees and projected to grow to 15 by the end of 2021. The company carries Workers Comp and Unemployment Insurance. It is in the process of completing an employee handbook and has job description for all position.

## **Legal Structure**

*The CO\_OP at 1<sup>st</sup>* is registered in the state of Colorado and taxed as a Licensed Coop Association

## **Location**

The Company is located in the Barnum Area of Denver  
5045 W 1<sup>st</sup> Avenue (1<sup>st</sup> and Sheridan Blvd)

## **Methods of Financial Record Keeping**

Bookkeeping is done in-house using QuickBooks Elite online. This is done by a certified bookkeeper who uses the company computer on premise.

## **Insurance**

The following insurance policies are in place: Liability (General & Product), Property, Worker Comp, Unemployment

## **Security**

Physical Security is by Sentra Cam which is active 24 hours a day.  
NNSI door monitoring system is also in place.  
All Computer backup and security is on the cloud.

# MARKETING PLAN

Co-ops have been around in many forms since the late 18<sup>th</sup> early 19<sup>th</sup> century. Most of the early and present-day co-ops were, and still are, centered around healthy food.

As the population began moving into cities and away from farms, working people had little control over the quality of their food. Early co-ops were set up to protect the interest of the less powerful members of society – workers, consumers, farmers, and producers.

Co-ops grow out of needs that people share. They created business principles (similar to ones outlined earlier) to guide their work and establish shops to sell their goods. Other reasons centered around poorer quality resulting from mass production and unfair labor practices.

The global rise of cooperatives is partially due to the work of the International Co-operative Alliance (ICA). The ICA was formed in 1895 and is still active today. Cooperatives promote the material conditions and well-being of members through their acting in concert; members have a greater say over their lives through their association in organizations controlled freely and democratically by members. They do not operate in isolation from their community but are integrated into the area and society.

Over the years, consumer co-ops have experienced waves of growth and development, followed by periods of decline. The Great Depression of the 1930s triggered a great wave of co-op organizing in cities and rural areas. This was followed by Franklin Roosevelt's New Deal which supported the growth of urban co-ops.

Today's food co-ops are often based on the third wave, that being from the late 60's and early '70's. Born out of the ideas and philosophies of the 1960s counterculture, these stores were opened by young and idealistic members. They set up co-ops to fit their beliefs in equality. Most of the new co-ops sold whole, unrefined, and bulk foods.

These co-ops were pioneers in what came to be known as the natural foods industry. Most were unable to escape the same problems that had troubled older, earlier co-ops—insufficient capital, inadequate membership support, an inability to improve operations.

The “new wave” co-ops are stronger and more well established. Each wave of cooperative growth produces renewed enthusiasm for a time-tested idea and innovations that prove successful in the consumer marketplace.

Although *The CO-OP at 1<sup>st</sup>* is in the Barnum Community the marketing effort is geared towards a radius of 10 miles in all directions.

**10 Mile Radius Marketing Effort** are centered around the West Colfax and Sheridan Corridor that encompasses:

West Denver  
    Barnum, Athmar, Valverde,  
    West Colfax, Sun Valley, Villa Park  
Northwest Denver  
    Highlands, Sunnyside, Berkeley  
Southwest Denver  
    Bear Valley, Harvey Park, Fort Logan  
East Jefferson County  
    Lakewood, Edgewater, Belmar

As an entity we want to develop and retain a diverse customer base with the target market being as inclusive as possible. Towards that goal we are recruiting membership that includes a **Demographic Spectrum** that provide equal opportunities without regard to race, color, religion, national origin, political affiliation, gender, sexual preference, age, or disability.

To this end the main message of the marketing is **Engagement** and the **Services** we provide. Some examples are:

**Engagement**  
Product Features  
Vendor Profiles  
Community Participation

**Services**  
Energy Bill Assistance  
SNAP  
Double Bucks  
Health Assistance  
Nutritional Education

### **Market Penetration**

As mentioned earlier the marketing program is dedicated towards *Increase Engagement* and *Promote Services*. To accomplish this goal the approaches are diversified and multi-layered, with the primary being via Digital Platforms that include the website, videos, monthly newsletters, press releases, signage and social media like Facebook, Nextdoor, Instagram, Bright by Text (through Denver Public Schools).

The Community Involvement Outreach components of the marketing efforts consist of participating and planning of community events, networking, marketing and printed and on-line materials in both English and Spanish.

To better understand the area, we are including the demographics of the Barnum community which we believe is a good overview of the area.

**Barnum Demographics**

*Family Make-up*

6500 Individuals  
2000 Households  
1400 Families

*Ethnic Origin*

75% Latino  
24% White  
.5% African American  
.5% Other

*Average Household Income*

\$41,000 - \$46,000

*Families in Poverty*

28.5%

*Population Age*

Under 5        6.76%  
Under 18      30.18%  
18-64         55.08%  
Over 65        7.98%

*Housing Units*

2,047 Total Number of Units  
Multi-family    12%  
Single family    88%  
Average Sale Price    \$382,892

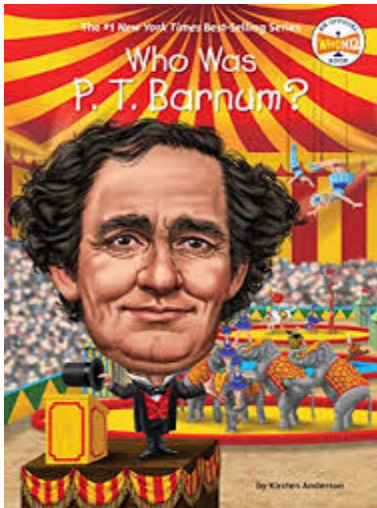
*Education*

< 12<sup>th</sup> Grade    31.49%  
Some College    19.99%  
College Degree   12.82%

*Labor and Employment*

Job with Low Wages    26%  
Middle Wages            42%  
High Wages                29%

<https://denvermetrodata.org/neighborhood/barnum>



An interesting fact about the neighborhood is that it was established by P.T. Barnum of the Barnum and Bailey Circus as a winter location for his shows between performing seasons in 1882. He purchased 760 acres and platted the first subdivision.

## Competition

### Major Grocery Stores

**King Soopers** is approximately 1.5 miles away and accessible only by car or bus.

**Safeway** is at 26<sup>th</sup> and Federal, again accessible only by car or public transportation.

**Sprouts** is 1.6 miles, expensive, not walking accessible

There is the local **Carniceria La Guadalajara** [butcher] next door, that focuses on Hispanic food and meet. They do not carry fresh fruits or vegetables and Spanish is the predominate language spoken in the store.

The **Westwood Co-Cooperative/Re:vision** is approximately 1 mile away. It is a like-minded business that originally started as a non-profit and morphed into a co-op. It primarily serves the Latinx community and the predominate language spoken is Spanish. Like the major grocery stores, it is not accessible by foot from Barnum and transportation is needed to reach this establishment.



### The Market

The market is in transition from a farmers' market to a natural grocery store. Everything in the store will be bought wholesale and marked up.

Dairy & Eggs 1.35%	Groceries/Meat 1.45%	Produce 1.7%	Bulk Food, Spices, Soaps 1.55%
Breads * Bagels 1.45%	Vitamins, Health & Beauty 1.35 – 1.5%		Bulk Teas & Cocoa Mixes 1.55%
Non-Food Household Artist Vendors 1.35% or Consignment			

### The Event Space

The space is a profit center that rents for

Half Day \$300	Full Day \$550
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**Commissary Kitchen**

The kitchen is another profit center that rents at

Per Hour <b>\$25.00</b>	Caterers Per Hour <b>\$10.00 - \$20.00</b>
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**Note: Must be Sponsorship Level or above to receive Caterers Pricing**

**Fitness Center**

The fitness room can be rented from the tenant Buffalo & Sparrow when it is not being used.

Per Hour <b>\$25.00</b>
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**Coffee Bar**

*The CO-OP at 1<sup>st</sup>* sells “solar Roasted Coffee” the only solar roasted coffee in the world! The roasters are located in Pueblo, CO. They roast the coffee when the order is placed and it is shipped within three days. Now that is fresh!

Latte <b>\$5.00</b>	Cappuccino <b>\$5.00</b>	Espresso <b>\$4.00</b>	Mocha <b>\$5.50</b>
Iced <b>\$2.50-\$3.50</b>		Box – Serves 8-12 <b>\$22.00</b>	



# OPERATING & CONTROL SYSTEMS

*The CO-OP at 1<sup>st</sup>* has in place or is in the process of developing manuals in the following areas.

## **Policies & Procedures**

- Administration
- Services
- Software
- Metrics
- Marketing & Networking

## **Staff**

- Sales Training
- Scheduling
- Discount Policies

## **Suppliers/Vendors**

- Methods of Distribution
- Pricing & mark-ups
- Accounts Payables

## **Management Reporting**

- When Where How and Time Frame

## **Cash Flow Management**

- Budgeting
- Financial reviews
- Security measures
- Checks and balances

## **Employees**

- Job Descriptions
- Salary & Wages
- Hiring Guidelines
- Employee Manuals
- Benefits

# RISK ANALYSIS

## Best Case Scenarios

Best Case Scenarios are welcome with the caveat that all come with situations to be considered and a process in place to handle the changes.

<b>Scenario</b>	<b>Issue</b>	<b>Solution</b>
Ahead of Financial Projections	Need for additional staff, working capital,	Operating capital from grants or memberships Recruiting Guidelines
	Need for Additional Staff training	Apprenticeship Programs with local schools
	Equipment – Additional supplies needed	Operating Capital and relationship with broker
Suppliers out of stock or go out of business	Not able to get products needed on time or within budget	Identify additional suppliers and have a list of additional suppliers
Need for Additional Space	Additional Parking	Work with neighbors to use their space for special events
Additional Growing Area	More demand for products	Add Green Roof
Investments for capital advancement	Need for additional equipment, expansion, or upgrades	Capital Fund Raiser Apply for additional grants
Security	Attempted Break-ins, thief,	24 Hour Security System in place tied into police and key staff
Tenants	Room Rentals	100% Rented and develop a wait list

## Worst Case Scenarios

Unlike the best-case scenarios, the worse cases are usually unexpected and turn around is more difficult.

<b>Scenario</b>	<b>Issue</b>	<b>Solution</b>
Behind Financial Projections	Industry Changes Acts of God (Hail, Fire, Pandemic) Not enough patronage	Changes made quickly Work Interruption Insurance Additional Marketing
Bad Reviews	Patrons/clients unsatisfied with goods or services	Marketing Department checking reviews and handling complaints
Competition Price Wars	Underbidding by competitors	Policy of not reducing prices and offering incentive and extra services to be more competitive
Staff Recruitment by Competition	Key Employees offered better positions or pay	Awareness of wages within the industry and staying on the upper end of the pay scale
Management Staff Changes	Key Employee is not able to perform duties or chooses to move on	Existing staff covers until a replace is hired. Life and Key Person Insurance
Equipment Failure	Breakdown, leaking, power failure	Repair people on call Generators Business Interruption Ins
Accidents	Staff gets hurt on the job	Workers comp insurance Replace worker with sub Umbrella Policy Insurance
Overhead Cost Increase	Insurance, phone and other overheads increase	Send out RFP for service Increase sales or cost Replace vendor

# FINANCIALS

Jovail Owns Building and provides long term lease to COOP. COOP Improves Second Floor							
Level	Category	Detail	2022	2023	2024	2025	2026
Revenue	Leasing	Office Leasing	\$ 100,000	\$ 105,000	\$ 110,250	\$ 115,763	\$ 121,551
Revenue	Leasing Vacancy	Less Vacancy	\$ (5,000)	\$ (5,250)	\$ (5,513)	\$ (5,788)	\$ (6,078)
Revenue	Events	1st Floor Events	\$ 50,000	\$ 52,500	\$ 55,125	\$ 57,881	\$ 60,775
Revenue	Events	2nd Floor	\$ 25,000	\$ 40,000	\$ 42,000	\$ 44,100	\$ 46,305
		<b>Total Leases, Events</b>	<b>\$170,000</b>	<b>\$192,250</b>	<b>\$201,863</b>	<b>\$211,956</b>	<b>\$222,553</b>
Revenue	Market	Market Sales	\$ 180,000	\$ 240,000	\$ 320,000	\$ 400,000	\$ 500,000
Revenue	Less GOCG		\$ (126,000)	\$ (168,000)	\$ (224,000)	\$ (280,000)	\$ (350,000)
Revenue	Membership	Distributor	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000
Revenue	Membership	Company	\$ 4,800	\$ 9,600	\$ 14,400	\$ 19,200	\$ 24,000
Revenue	Membership	Consumer	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000
Revenue	Grants	Grant	\$60,000	\$40,000	\$30,000	\$30,000	\$30,000
		<b>Total Grocery &amp; Membership Revenue</b>	<b>\$ 123,600</b>	<b>\$ 131,200</b>	<b>\$ 154,800</b>	<b>\$ 188,400</b>	<b>\$ 228,000</b>
		<b>TOTAL REVENUE</b>	<b>\$ 293,600</b>	<b>\$ 323,450</b>	<b>\$ 356,663</b>	<b>\$ 400,356</b>	<b>\$ 450,553</b>
Expenses	Labor	GM	\$ 40,000	\$41,200	\$42,436	\$43,709	\$45,020
Expenses	Labor	Asst GM	\$ 20,000	\$20,600	\$21,218	\$21,855	\$22,510
Expenses	Labor	Market Mgr.	\$ 25,200	\$25,956	\$26,735	\$27,537	\$28,363
Expenses	Labor	Cashier	\$ 20,000	\$20,600	\$21,218	\$21,855	\$22,510
Expenses	Labor	Cashier	\$ 16,800	\$17,304	\$17,823	\$18,358	\$18,909
Expenses	Labor	Barrista	\$ 16,800	\$17,304	\$17,823	\$18,358	\$18,909
Expenses	Labor	MyFoodBox packers	\$ 4,000	\$4,120	\$4,244	\$4,371	\$4,502
Expenses	Labor	Events Coordinator	\$ 10,000	\$10,300	\$10,609	\$10,927	\$11,255
Expenses	Labor	Facilities Maintenance	\$ 6,000	\$6,180	\$6,365	\$6,556	\$6,753
Expenses	Labor	Cleaning	\$ 16,000	\$16,480	\$16,974	\$17,484	\$18,008
Expenses	Labor	Membership	\$ 8,240	\$8,487	\$8,742	\$9,004	\$9,274
Expenses	Consultant	Bookeeping/Taxes	\$ 8,240	\$8,487	\$8,742	\$9,004	\$9,274
Expenses	Consultant	Marketing	\$ 40,000	\$41,200	\$42,436	\$43,709	\$45,020
Expenses	Consultant	Legal-Contracts	\$ 1,030	\$ 1,061	\$ 1,061	\$ 1,093	\$ 1,093
Expenses	Services	Trash Removal	\$ 4,032	\$ 4,153	\$ 4,278	\$ 4,406	\$ 4,538
Expenses	Services	Lawn Care/Snow Removal	\$ 2,560	\$ 2,637	\$ 2,716	\$ 2,797	\$ 2,881
Expenses	Services	Eldorado Water	\$ 288	\$ 297	\$ 306	\$ 315	\$ 324
Expenses	Services	Laundry	\$ 720	\$ 742	\$ 764	\$ 787	\$ 810
Expenses	Services	Dishwasher Rental	\$ 2,610	\$ 2,688	\$ 2,769	\$ 2,852	\$ 2,938
Expenses	Services	HVAC and Fridge Maintenance	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126
Expenses	Utilities	Xcel	\$ 11,000	\$ 11,330	\$ 11,670	\$ 12,020	\$ 12,381
Expenses	Utilities	Comcast	\$ 1,800	\$ 1,854	\$ 1,910	\$ 1,967	\$ 2,026
Expenses	Utilities	Water	\$ 824	\$ 849	\$ 874	\$ 900	\$ 927
Expenses	Utilities	Sewer/ Storm Water	\$ 550	\$ 567	\$ 583	\$ 601	\$ 619
Expenses	Insurance	Renters Insurance	\$ 4,000	\$ 4,120	\$ 4,244	\$ 4,371	\$ 4,502
Expenses	Supplies	Supplies	\$ 4,600	\$ 4,738	\$ 4,880	\$ 5,027	\$ 5,177
Expenses	Supplies	Maintenance RESERVE	12000	\$12,360	\$12,731	\$13,113	\$13,506
Expenses	Fees	Bank, Card Fees	\$ 100	\$103	\$106	\$109	\$113
Expenses	Payroll	Txes/workmans comp	\$ 47,640	\$ 49,069	\$ 50,541	\$ 52,058	\$ 53,619
		<b>TOTAL EXPENSES</b>	<b>\$ 326,034</b>	<b>\$ 335,815</b>	<b>\$ 345,858</b>	<b>\$ 356,233</b>	<b>\$ 366,888</b>
		OPTION 1: Pay Investor Members Interest Only Until Enough Cash accumulates to Pay off Loan					
Net	<b>Cash Flow Before Investments &amp; Loan Payments</b>		<b>-\$32,434</b>	<b>-\$12,365</b>	<b>\$10,805</b>	<b>\$44,122</b>	<b>\$83,666</b>
	Cash Cushion		-50000				
	Investment Outlays: Loan, Improvements		<b>-\$930,000</b>				
	Investor Membership		<b>\$ 1,250,000</b>				
	<b>Interest Only to Investor</b>					<b>-\$37,500</b>	<b>-\$37,500</b>

Jovail Owns Building and provides long term lease to COOP. COOP Improves Second Floor							
Level	Category	Detail	2022	2023	2024	2025	2026
	Cash Flow Paying Interest Only		\$237,566	-\$12,365	\$10,805	\$6,622	\$46,166
	Cumulative Cash Flow		\$210,798	\$198,433	\$209,238	\$215,860	\$262,026
	Year		1	2	3	4	5
OPTION 2: Pay Down Principle From Positive Cash Flow Split between All Members							
	<b>Cash Flow Before Investments &amp; Loan Payments</b>		<b>-\$32,434</b>	<b>-\$12,365</b>	<b>\$10,805</b>	<b>\$44,122</b>	<b>\$83,666</b>
	Cash Cushion		-\$50,000				
	Investment Outlays: Loan, Improvements		-\$925,000				
	Investor Membership		\$ 1,250,000				
	<b>Interest Only to Investor</b>					-\$37,500	-\$36,838
	Cashflow before Principle Paydown		\$242,566	-\$12,365	\$10,805	\$6,622	\$46,828
	Principle Pay Down	50% of Cash flow	\$0	\$0	\$0	-\$22,061	-\$41,833
	Loan Balance		\$1,250,000	\$1,250,000	\$1,250,000	\$1,227,939	\$1,186,106
	<b>Cash Flow Paying Interest &amp; Principle</b>		<b>\$242,566</b>	<b>-\$12,365</b>	<b>\$10,805</b>	<b>-\$15,439</b>	<b>\$4,995</b>
	Potential Dividend Payout@50% of Profit until loan paid off		\$0	\$0	\$5,402	\$22,061	\$41,833
	Membership Dividend Payout		-\$10,000	-\$20,000	-\$30,000	-\$40,000	-\$50,000
	Return on Membership Fee		104.17%	104.17%	104.17%	104.17%	104.17%
	<b>Net Cashflow After P&amp;I &amp; Div</b>			<b>-32,365</b>	<b>-19,195</b>	<b>-55,439</b>	<b>-45,005</b>
	Cumulative Cashflow		232,566	200,201	181,006	125,567	80,562
	Year		1	2	3	4	5
Estimate on payouts to members							
	Dividends		\$10,000	\$20,000	\$30,000	\$40,000	\$50,000
	Secured Inital investor amount		\$0	\$0	\$0	-\$59,561	-\$78,671
	Secured payment to investor each		\$0	\$0	\$0	-\$5,956	-\$7,867
	Left for Dividends		\$10,000	\$20,000	\$30,000	\$40,000	\$50,000
<b>Dividend % per group</b>							
	Investor %						
	Distributor %		0.2	0.2	0.2	0.2	0.2
	Company %		0.6	0.6	0.6	0.6	0.6
	Customer %		0.2	0.2	0.2	0.2	0.2
<b>Dividend per group</b>							
	Investor		\$0	\$0	\$0	\$0	\$0
	Distributor		\$2,000	\$4,000	\$6,000	\$8,000	\$10,000
	Employee		\$6,000	\$12,000	\$18,000	\$24,000	\$30,000
	Customer		\$2,000	\$4,000	\$6,000	\$8,000	\$10,000
<b>Estimate Num of people</b>							
	Investors	(Increase over time)	10	10	10	10	10
	Distributor	(Increase over time)	2	4	6	8	10
	Company	(Increase over time)	8	11	14	17	20
	Qualifying Custome	(Increase over time)	15	20	25	30	35
<b>Payout Each Person</b>							
	Investors		\$0	\$0	\$0	\$0	\$0
	Distributor		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	Company		\$750	\$1,091	\$1,286	\$1,412	\$1,500
	Customer		\$133	\$200	\$240	\$267	\$286